

IT ENVIRONMENTAL LIQUIDATING TRUST AGREEMENT

This Liquidating Trust Agreement (the "Agreement") dated **as** of April 30, 2004 by **and** among IT **Corporation**, IT **Lake Herman Road LLC**, IT **Vine Hill LLC** (collectively the "Debtors") and Brian **Fournier** (not individually but solely in his capacity **as trustee** hereunder) (the "Trustee") is entered into in connection with the Debtors' First Amended Joint chapter **11 Plan of Reorganization dated February 9, 2004** (the "Plan") filed in the **jointly** administered chapter **11** bankruptcy cases entitled In re The 11 Group Inc Case No. 02-10118 (MFW) pending in the United States Bankruptcy **Court** for the District of Delaware (the "Bankruptcy **Court**").

WHEREAS, on or about April 5, 2004, the Bankruptcy Court entered an order confirming the Plan (the "Confirmation Order");

WHEREAS, pursuant to Section 7.10(II) of the Plan, the IT Environmental Liquidating Trust Assets are to be transferred to the IT Environmental Liquidating Trust; or "Trust";

WHEREAS, pursuant to Section 7.10(Q) of the Plan, the IT Environmental Liquidating Trust Funding is to be transferred to the IT Environmental Liquidating Trust; and

WHEREAS, the Trustee has agreed to act **as** the Trustee under this Agreement and to perform **as** Trustee upon and subject to the terms and conditions set forth in the Plan and herein;

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements contained herein, the Debtors and the Trustee agree **as** follows:

ARTICLE I DEFINITIONS

1.1 Defined Terms. All capitalized terms not otherwise defined herein shall have the meanings given them in the Plan. All capitalized terms not otherwise defined in this Agreement or in the Plan shall have the meanings given them in the Bankruptcy Code or Bankruptcy Rules.

ARTICLE II IT ENVIRONMENTAL LIQUIDATING TRUST ASSETS

2.1 Trust Assets: The IT Environmental Liquidating Trust shall consist of the following assets and liabilities:

(a) ~~The~~ Post Closure Insurance Policy ~~Assets~~: (i) the Post Closure Insurance Policies; ~~(6)~~ the proceeds from claims paid ~~by~~ the Post Closure Insurance Policies; ~~and~~ (iii) any interest ~~earned~~ on the proceeds from claims paid ~~by~~ the Post Closure Insurance Policies, all subject ~~to rights~~ of the California Department of Toxic Substances Control ("~~DTSC~~") under the policies;

(b) The Properties: (i) the ~~real~~ property containing the Vine Hill ~~and~~ Panoche sites which ~~are~~ each ~~owned~~ by the LLCs; and (ii) the ~~real~~ property containing the Benson Ridge and Montezuma ~~Hills~~ Landfills which are ~~owned~~ by IT Corporation;

(c) The Landfill Assets: (i) all of Debtors' membership interests in the LLCs; (ii) all real property, personal property, equipment, bank accounts, and employees associated with operations of the Landfills; (iii) all other funds obtained by the Debtors from other parties in settlement or resolution of contribution or cost recovery claims of the Debtors with respect to the Landfills; and (iv) all insurance policies held by the LLCs or the IT Environmental Liquidating Trust, all insurance policies held by the Debtors that are associated with the operations of the Landfills, and all proceeds and interest therefrom other than the Post Closure Insurance Policies; (v) all licenses, permits (subject to the Permit Transfer provision set forth in Section 7.10(II) of the Plan) and contracts relating to the Landfills; and (vi) revenues from the operations of the Landfills or development thereon; provided, however, any amounts owed to the Debtors under the Post Closure Insurance Policies that cover work performed at the Landfills that are uncollected ~~as~~ of the Effective Date (as defined in the Plan) belong to the Debtors; and

(d) The Landfill Liabilities: (i) all accounts payable arising prior to and after the Effective Date associated with the operations of the Landfills; provided, however, all accounts payable arising from engineering and construction services requested by the Debtors' environmental manager at the Landfills between May 3, 2002 and the Effective Date and provided by The Shaw Group, Inc. ("Shaw") in accordance with that request shall be payable by the Debtors ~~and~~ not the IT Environmental Liquidating Trust; and (ii) all cure obligations associated with the

executory contracts and unexpired leases that are assumed by the Debtors and assigned to the IT Environmental Liquidating Trust in accordance with Section 11.1 of the Plan. Nothing herein shall be deemed an admission by the Debtors of the validity and amount of any claim Shaw may have against the Debtors and the Debtors' rights are hereby reserved.

2.2 Transfer of Property to Trustee. The Trustee agrees to accept and hold the IT Environmental Liquidating Trust Assets in trust, subject to the terms of the Plan, the Confirmation Order, and this Agreement.

2.3 Intention of Parties.

(a) The parties agree that (i) during the term of the IT Environmental Liquidating Trust, the ~~IT~~ Environmental Liquidating Trust will be a reporting entity for federal income tax purposes under Subpart A of Subchapter J of the Internal Revenue Code. The parties also agree that (i) the Debtors have released all of their rights, title and interest in, and all benefits ~~from~~, the IT Environmental Liquidating Trust Assets and (ii) at the termination of the IT Environmental Liquidating Trust, the Trustee is authorized and directed to designate one or more Qualified Charity (~~as~~ hereafter defined), and unrelated to the Trustee, as the remainder beneficiaries of the IT Environmental Liquidating Trust.

(b) For purposes of this Agreement, ~~an~~ organization shall be a "Qualified Charity" if, (i) at the time when the principal or income of the IT Environmental Liquidating Trust is to be distributed to it, it is an organization described in Section 170(b)(1)(A) of the Internal Revenue Code, as amended; (ii) it has a principal objective of the protection of California and Californians from exposure to hazardous materials; and (ii) the Trustee is not an Interested Person (as hereafter defined) with regard to the organization.

(c) The term "Interested Person" shall mean either (i) ~~any~~ person that has served as an officer, director, or employee of the organization at ~~any~~ time during the previous five years, (ii) ~~any~~ person that has been compensated by the organization at any time during the previous five years for services rendered it, whether ~~as~~ a full- or part-time officer or other employee, independent contractor, or otherwise, or (iii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

ARTICLE III
USE OF ASSETS, AUTHORITY, LIMITATIONS, AND DISTRIBUTIONS

3.1 Purposes and Use of Assets.

(a) The IT Environmental Liquidating Trust is organized for the purpose of providing for the closure and post closure management of the Landfills and liquidating and distributing the proceeds from the IT Environmental Liquidating Trust Assets.

(b) The Trustee will use funds derived from or constituting the Post-Closure Insurance Policies for the sole purpose of providing for the closure and post-closure management of the Landfills in accordance with the requirements of environmental law, the Consent Order, the Permits, and the Post-Closure Insurance Policies ("Environmental Operations");

(c) The Trustee will use funds derived from or constituting the Landfill Assets for the purposes of administering the IT Environmental Liquidating Trust and, to the extent funds are available beyond those reasonably necessary to provide for the Environmental Operations, may use ~~funds~~ derived from or constituting the Landfill Assets for the purposes of (i) managing, developing, leasing, or marketing the Landfills for the production of revenue primarily for the purpose of ensuring that the IT Environmental Liquidating Trust has sufficient funds for the Environmental Operations; and (ii) pursuing contribution or cost-recovery efforts or claims against any party that is liable or potentially liable for closure at the Landfills; provided, however, that the Trustee shall not use such funds to pursue contribution or cost-recovery ~~efforts~~ or claims against the Debtors, Reorganized IT Group and the Litigation Trust, if such an action is subject to the injunction described in Section 3.19 of the Plan.

3.2 Restrictions on Use of Post-Closure Insurance Policies. The IT Environmental Liquidating Trust shall not use the Post-Closure Insurance Policies for the purposes of managing, developing, leasing or marketing the Landfills for the production of revenue unless specifically allowed under the Post-Closure Insurance Policies, and pursuant to the prescribed procedures for modifying the Post-Closure Insurance Policies.

3.3 Separate Accounting. The Post-Closure Insurance Policies and the Landfill Assets shall be accounted for separately in the books of the IT Environmental Liquidating Trust.

3.4 Supervision of Trust. The IT Environmental Liquidating Trust will be established and administered pursuant to the laws of California and subject to the jurisdiction of the U.S. District Court for the Northern District of California (the "Court"). Nothing in the Plan or the Agreement, or in negotiations leading to the formation of these instruments, shall be construed as a waiver by the State of California, DTSC, or by any other California state agency, departments, board, or commission ("State of California") of Eleventh-Amendment immunity, or as consent to be sued or otherwise compelled to appear in any Federal Court, including the Court and the United States Bankruptcy Court for the District of Delaware.

3.5 Authority of Trustee. In connection with the administration of the IT Environmental Liquidating Trust, except as otherwise set forth herein, the Trustee is authorized to perform those acts necessary and desirable to effectuate the terms and provisions of the Plan, the Confirmation Order, ~~this~~ Agreement, and the Permits. The IT Environmental Liquidating Trust shall succeed to all of the rights of the Debtors necessary to protect, maintain, preserve, conserve, operate, manage and liquidate all IT Environmental Liquidating Trust Assets, including but not limited to the enforcement of the Debtors' rights under agreements approved by prior orders of the Northern District of California and rights under prior orders of the Northern District of California. In that capacity, the IT Environmental Liquidating Trust shall have the power, on behalf of and for the benefit of the IT Environmental Liquidating Trust, to prosecute, defend, compromise, settle and otherwise deal with all IT Environmental Liquidating Trust Assets subject to the terms and conditions of the Agreement, the Plan and the Confirmation Order. Subject to the limitations set forth in this Agreement or the Plan, and in addition to any powers and authority conferred by law, the Trustee may exercise all powers granted him pursuant to Section 7.10(II) of the Plan and herein.

3.6 Books and Records. The Trustee shall cause to be maintained the books and records it deems necessary for the operation of the IT Environmental Liquidating Trust relating to the assets and income of the IT Environmental Liquidating Trust and the payment of expenses of the IT Environmental Liquidating Trust in such detail and for such period of time ~~as~~ may be necessary to enable him to make full and proper reports in respect thereof and to comply with applicable provisions of law.

3.7 Reports. The Trustee shall prepare and file with the ~~Court~~ semi-annual **status** reports **as** required under Section 7.10(II) of the Plan, with copies to the DTSC and the United States Trustee, provided, however, that, at least two years after **this** Agreement becomes effective, and with the prior written approval of the DTSC, the Trustee may file such status reports annually, instead of semi-annually. The Trustee also shall prepare and file with the Court and DTSC the final accounting required under Section 7.10 (II) of the Plan. Additionally, the Trustee shall prepare and file reports **as** required under applicable laws or by the Permits.

3.8 Retention of Rights by California. Nothing in the Plan or this Agreement is intended to be nor shall be construed **as** a deprivation or waiver by the State of California of its rights and duties **as** a regulator under the laws of California or the United States, including, without limitation, the Permits, nor **affect** the State of California's interest, if any, in the Post-Closure Insurance Policies.

3.9 Distributions.

(a) Prior to Termination, and not more than once each calendar year, the Trustee is authorized to distribute to or apply for the benefit of one or more Qualified Charities, **as** it may select from time to time (the "Beneficiaries"), and in such proportions **as** it determines to be in the best interest of the Beneficiaries or any of them, so much or all of (i) the net income of the IT Environmental Liquidating Trust received during the previous calendar year, and (ii) the net proceeds from any sale of the Landfill Assets received in the previous calendar year, provided, however, that before making any such distribution, the Trustee shall retain an amount of net proceeds or net income that enables it to conduct the Environmental Operations at the Landfills to maintain the value of its assets, and to meet claims and contingent liabilities, including funds necessary to meet closure and post-closure maintenance and operation requirements and administrative expenses of the IT Environmental Liquidating Trust.

(b) The Trustee shall not make a distribution if the Trustee or DTSC determines that, at the time the distribution would occur, the amount to be retained under subdivision (a) of the paragraph equals or exceeds the net income of the IT Environmental Liquidating Trust and net proceeds from the sale of the Landfill Assets for the previous calendar year. The Beneficiaries shall have no right to seek any distribution of **f u n d s** if the Trustee or DTSC has determined that no funds are to be distributed.

(c) The Trustee shall notify DTSC in Writing of the total amount of any distribution it intends to make pursuant to this section, at least 60 days prior to the distribution.

3.10 Inspection of Books and Records

(a) The Trustee shall provide to the DTSC, upon request, copies of all non-privileged documents and information within their possession or control or that of their contractors or agents relating to activities at the Landfills, in accordance with the Permits, including, but not limited to, samplings, analyses, chain of custody records, manifests, trucking logs, receipts, reports, and correspondence. The IT Environmental Liquidating Trust does not waive, but retains all rights, claims, and causes of action against all non-governmental third parties which may gain access to the Landfills pursuant to the Plan or otherwise.

(b) The IT Environmental Liquidating Trust shall preserve and retain all documents or information in their possession or control, or which come into their possession or control, that relate to the Landfills to the extent required by the Permits, the Consent Order, or applicable law, whichever is longer. The IT Environmental Liquidating Trust shall notify DTSC at least 90 days prior to the dissolution of the Trust, and upon request by the DTSC, shall make available any such documents or information to DTSC.

(c) Nothing in Section 3.10(a) is intended to, nor shall, limit the rights, if any, of the State of California to inspect the Trust's books and records under federal or state law, or the Permits.

ARTICLE IV APPLICATION OF THE IT LIQUIDATING ENVIRONMENTAL TRUST ASSETS

4.1 The Trustee shall hold, maintain, and apply all IT Environmental Liquidating Trust Assets in accordance with the terms of the Plan and this Agreement, including without limitation, in accordance with the terms of Section 7.10(ii) of the Plan and Article III of this Agreement. The Trustee shall retain at all times an amount of net proceeds or net income, if any, that enables it to conduct the Environmental Operations at the Landfills, to maintain the value of its Assets, and to meet claims and contingent liabilities, including funds necessary to meet closure and post-closure maintenance and

operation requirements and administrative expenses of the IT Environmental Liquidating Trust.

ARTICLE V TRUSTEE

5.1 Generally. The Trustee *shall* manage the ~~affairs~~ of the IT Environmental Liquidating Trust and, ~~in~~ that capacity, shall exercise ~~all~~ rights, powers and privileges granted to the IT Environmental Liquidating Trust or the Trustee by the Plan, ~~this~~ Agreement, or otherwise enjoyed by the IT Environmental Liquidating Trust. The Trustee's ~~powers~~ are exercisable solely in a fiduciary capacity consistent with, and in furtherance ~~of~~; the purposes of the Plan, the Confirmation ~~order~~ ~~this~~ Agreement and the Permits. The Trustee may ~~retain~~ the services of attorneys, accountants, consultants and other agents, in the business judgment of the Trustee, to assist and advise the Trustee in the performance of his duties under the IT Environmental Liquidating Trust.

5.2 Duties and Powers of Trustee. Subject to the limitations of use of the Post-Closure Insurance Policies ~~set~~ forth in Paragraph 3.2 of ~~this~~ Agreement, the Trustee shall have the following duties and powers with ~~respect~~ to operation of the Trust, ~~the~~ Landfills, and the Environmental Liquidating Trust Assets and liabilities:

(a) To exercise all power and authority that may be or could have been exercised; to commence all proceedings or actions that may be or could have been commenced, and to ~~take~~ all actions that may be or could have been taken by any officer, partner, employer, director, employee, shareholder, agent, or representative of the Debtors, with ~~like~~ effect ~~as~~ if authorized, exercised and ~~taken by~~ **unanimous** action of the officers, directors and shareholders of the Debtors;

(b) To open and maintain bank accounts on behalf of or in the name of the IT Environmental Liquidating Trust, or such other name under which the Trustee may choose to do business; to calculate and make Distributions and take other actions consistent with the Plan and the implementation hereof, including the establishment, reevaluation, adjustment and maintenance of appropriate ~~reserves~~; the designation of funds for specified purposes; the formation or dissolution of subsidiaries; the issuance of **equity** and interests in debt; to take any such actions ~~as~~ may be required to comply with or to effectuate the **terms**, conditions, and obligations set forth in the Permits, the Plan, the Confirmation Order, and ~~this Agreement~~, all in the name of the IT Environmental Liquidating Trust; and to take ~~any~~ action necessary to preserve the integrity and condition of the IT Environmental Liquidating Trust Assets;

(c) To receive, hold legal title to, collect, ~~use~~, ~~spend~~, invest, conserve, protect, sell, transfer, abandon, bring suit upon or otherwise manage the IT Environmental Liquidating Trust Assets, and to enter ~~into~~ contracts on ~~behalf~~ of the IT Environmental Liquidating Trust;

(d) To object to ongoing ~~Landfill~~ Liabilities and to supervise and administer the resolution, settlement and payment of such Landfill Liabilities and **any remaining Distributions to Persons in accordance with the Plan and this Agreement.** The Trustee may pursue, litigate, ~~compromise~~ or settle any **Claim** (disputed or otherwise), ~~free~~ of any restrictions other than those restrictions expressly imposed by the Plan, the Confirmation Order, or **this Agreement**;

(e) To exercise such ~~rights~~ of setoff or recoupment, subornation, indemnification or contribution ~~as~~ the Debtors or the Estate may have ~~had~~ against ~~any~~ Person regarding ~~the IT Environmental Trust~~ Assets or liabilities, and/or ~~seek~~ Bankruptcy Court or Court approval of such exercise;

(f) To voluntarily engage in arbitration or mediation with regard to any dispute or **Claim**;

(g) To make decisions regarding the retention or engagement of professionals, employees, consultants, or other ~~persons~~, by the IT Environmental Liquidating Trust and to pay, ~~f r o m~~ the IT Environmental Liquidating Trust Assets, the reasonable fees and ~~costs~~ ~~i n c u r r e d~~ by the IT Environmental Liquidating Trust, without application ~~to the Court~~;

(h) To (i) ~~seek~~ a determination of ~~tax~~ liability under Section 505 of the Bankruptcy Code; (ii) to file, if necessary, any ~~and~~ all tax and information returns required with respect to the IT Environmental Liquidating Trust; (iii) to ~~make tax elections~~ by and on behalf of the IT Environmental Liquidating Trust; and (iv) to pay taxes, if any, owed by the IT Environmental Liquidating Trust;

(i) To pay all lawful expenses, debts, ~~costs~~, and liabilities of the IT Environmental Liquidating Trust, including payments to government agencies related to permitting, compliance, and enforcement matters;

(j) To ~~take~~ all other ~~actions~~ consistent with the provisions of the Plan that the Trustee deems reasonably necessary or desirable to administer and otherwise implement the terms of the Plan, the Confirmation Order and **this Agreement**;

(k) To withhold from the amount of Landfill Assets or income or proceeds generated by the Landfill Assets distributable to any Person under the Plan, such amount ~~as~~ may be sufficient to pay any tax or other charge which the Trustee has determined, in his sole discretion, may be required to be withheld therefrom under the income ~~tax~~ laws of the United States or of any state or political subdivision thereof. In the exercise of his sole discretion and judgment, the Trustee may enter into agreements with taxing or other governmental authorities for the payment of such amounts ~~as~~ may be withheld in accordance with the provisions of ~~this~~ subparagraph;

(l) To invest Cash ~~as~~ deemed appropriate by the Trustee in cash equivalents, and in no event including or deriving from the Post-Closure Insurance Policies; provided, however, that notwithstanding that the IT Environmental Liquidating Trust will be a reporting entity for federal income ~~tax~~ purposes under Subpart A of Subchapter J of the Internal Revenue Code, the scope of any such permissible investments shall be limited to include only those investments, or shall be expanded to include any additional investments, ~~as~~ the case maybe, that a "liquidating trust", within the meaning of Treasury Regulation Section 301.7701-4(d), may be permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in ~~IRS~~ rulings, other IRS pronouncements or otherwise;

(m) To hold title to any investment in the name of the IT Environmental Liquidating Trustee or in a nominee name;

(n) To collect or liquidate any IT Environmental Liquidating Trust Assets;

(o) To enter into an agreement or to execute any document required by or consistent with the Plan, the Confirmation Order, this Agreement, or the Permits, and to perform all obligations thereunder;

(p) To abandon IT Environmental Liquidating Trust Assets in any commercially reasonable manner that is consistent with environmental laws and the Permits, including abandonment of the Landfills or donation to a charitable organization of its choice, if it is concluded such IT Environmental Liquidating Trust Assets are of no benefit to the IT Environmental Liquidating Trust; provided, however, that abandonment of the Landfills will be subject to the approval of the DTSC and other regulatory authorities with jurisdiction. Any abandonment must comply with the provisions ~~of~~ the Permits or Section 554 of the United States Bankruptcy Code (11 USC ~~9~~ 554) and any other or future statutes, permits or regulations of a governmental authority that apply;

(q) To have the exclusive power on behalf of the IT Environmental Liquidating Trust to file, prosecute and/or settle all litigation claims (including, without limitation, all contribution or cost recovery claims against third parties with respect to the Landfills); to exercise, participate in, or initiate any proceeding before any ~~court~~ of appropriate jurisdiction, to participate voluntarily ~~as~~ a party or otherwise in any administrative, arbitral or other nonjudicial proceeding; and to seek cost recovery or contribution against any third party with respect to the Landfills ~~through~~ any ~~other~~ means in addition to prosecution or litigation. The Trustee shall provide ~~thirty days'~~ notice to DTSC before ~~seeking cost~~ recovery or contribution against any third party with respect to the Landfills. ~~The Trustee shall provide thirty days' notice~~ to DTSC before settling such claim or submitting a proposed settlement for judicial approval, or seven ~~days'~~ notice after judicial resolution of a claim that is not settled,

(r) To hold, in accordance with this Agreement, the Confirmation Order, and the Plan, any unclaimed Distributions or payments to a Beneficiary or other Person;

(s) To purchase and to carry all insurance policies, and to pay all insurance premiums and ~~costs~~ in accordance with federal or state law, or with the ~~Permits~~; and to purchase and to carry all insurance policies, and to pay all insurance premiums and costs deemed necessary or advisable ~~by~~ the Trustee in his sole discretion;

(t) To obtain additional funding and/or to enter into any management agreements that the Trustee deems necessary to effectuate the terms of the Plan, the Confirmation Order, this Agreement, and ~~the~~ Permits;

(u) To provide for the Environmental Operations;

(v) To have exclusive power, on behalf of the Trust, to manage, develop, lease, or market the Landfills in a commercially reasonable manner for the production of revenue;

(w) To establish annual budgets and work schedules for Environmental Operations;

(x) To prepare and to file all required plans and reports with DTSC or other regulatory agencies;

(y) To provide, directly or through one or more contractors,

management services, including accounting, public relations, procurement, and oversight of third-party vendors such as laboratories, engineers, construction contractors, material suppliers, and legal advisors;

- (z) To make claims under the insurance policies;
- (aa) To maintain on-site staff at the Landfills capable of performing site operations;
- (bb) To do any and all other acts and to employ such persons as the Trustee shall deem proper to effectuate the purposes hereof; and
- (cc) To value any transferred property for federal income tax purposes.

5.3 Liability and Indemnification of Trustee. The Trustee, acting in such capacity, shall not be personally liable in connection with any act or omission except for such acts or omissions shall constitute fraud gross negligence, willful conduct or intentional breach of the Plan, Confirmation Order of this Agreement, and shall be entitled to, if eligible for, the protection of 42 U.S.C. § 9607(n) and similar State statutes, including but not limited to California Health and Safety Code section 25548.3. The Trustee shall be indemnified by the IT Environmental Liquidating Trust from the IT Environmental Liquidating Trust Assets, including any insurance maintained by the IT Environmental Liquidating Trust that is available for such purpose, to the maximum extent permitted by applicable law, from any losses, claims, damages, liabilities or expenses (including without limitation, reasonable attorneys' fees, disbursements, and related expenses) (collectively, "Expenses") which he may incur in connection with any action, suit, proceeding, or investigation (collectively "Action") brought or threatened against him in his capacity as Trustee; provided, however, that the IT Environmental Liquidating Trust need not indemnify (but shall be required to defend unless and until such findings have already been made by a court) the Trustee in respect of any Action relating to matters in which the Trustee has been found to have engaged in acts or omissions constituting fraud, gross negligence, or intentional breach of the Plan, Confirmation Order or the IT Liquidating Trust Agreement. If the Trustee incurs or becomes subject to any Expenses in connection with any such Action, the IT Environmental Liquidating Trust shall advance to the Trustee, or otherwise promptly reimburse the Trustee, for such Expenses; provided, however that the Trustee shall be required to execute an undertaking promising to promptly repay to the IT Environmental Liquidating Trust the amount of any such advanced or reimbursed Expenses paid to him to the extent it shall be ultimately determined by the Court that the proximate cause for

such Expenses was **the** Trustee's fraud, **gross** negligence, or intentional breach of the Plan, Confirmation Order or **IT** Liquidating Trust Agreement.

5.4 Reliance By Trustee. The Trustee may rely ~~upon~~, and shall be protected in acting upon, any resolution, certificate, statement, instrument, opinion, report, notice, ~~request~~, consent, ~~order~~, or ~~other~~ paper or document believed by the Trustee in good ~~faith~~ to be genuine and to have been ~~signed~~ or presented by the proper party or parties. The **Trustee** may consult with legal counsel to be selected by ~~him~~, and the Trustee shall not be liable ~~for any~~ action he takes or ~~omits~~ to take in accordance with the advice of such counsel.

5.5 Expense Reimbursement and Compensation.

(a) Subject to the limitations of use of the Post-Closure Insurance Policies set forth in Paragraph 3.2 of this Agreement, the Trustee shall be entitled to reimburse itself from time to time out ~~of any available cash that is part of the IT Environmental Liquidating Trust~~ for reasonable costs and expenses (including reasonable attorneys' fees and expenses) and ~~against~~ and from all loss, liability, expense, or damage which the Trustee may sustain in good faith and without willful misconduct, **gross** negligence, or **f r a u d** in the exercise and performance ~~of any of the powers and duties of the Trustee under this Agreement.~~

(b) As consideration for the performance of his duties as Trustee, the Trustee shall be **entitled** to receive reasonable compensation and benefits, including (i) an annual ~~salary~~ of \$120,000, subject to a **3.5%** increase January 1 ~~of each year ("Base Salary")~~, with the ~~first~~ such increase Occurring on January 1, 2005 and being prorated according to the number of months the Trustee ~~has~~ served out of the previous 12 months; (ii) a benefits package ~~similar~~ to that ~~offered~~ by IT Corporation prior to bankruptcy; (iii) ~~four~~ weeks ~~of~~ paid vacation, on ~~an a c c r u a l~~ basis; and (iv) maintenance ~~of a~~ \$250,000 term life insurance policy and appropriate liability insurance, with all premiums to be paid by the IT Environmental Liquidating Trust. In addition to the Base Salary, the Trustee shall receive ~~as~~ additional compensation on January 1, 2006, ~~and~~ on each ~~anniversary~~ thereafter, 12.5% ~~of the net proceeds generated by the Landfills during the previous year.~~

(c) If the Trustee position becomes vacant, the **Court** may modify the consideration ~~for the performance of the Trustee's duties prior to appointing a Successor Environmental Liquidating Trustee under Section 5.7 of this Agreement.~~ The **Court** shall consider recommendations, if any, submitted by the previous Trustee, or ~~by~~ DTSC, ~~when~~ determining reasonable compensation.

(d) In the event cash derived from the Landfill Assets shall be insufficient to compensate and reimburse the Trustee for any amounts to which he is entitled hereunder, the Trustee is hereby authorized, after ~~thirty~~(30) days' notice to the DTSC, to reduce to cash that portion of the Landfill Assets necessary so as to effect such compensation and reimbursement, in accordance with environmental laws and the Permits.

(e) The reasonable fees and expenses incurred after the Effective Date of any and all third-party contractors and professionals (including, without limitation, legal counsel and other agents or advisors) retained by the Debtors or the Trustee in connection with the implementation of the Plan and the fulfillment of their respective duties under ~~this~~ Agreement shall be (i) deemed an expense of the IT Environmental Liquidating Trust and (ii) promptly paid by the Trustee in accordance with this Agreement and, where applicable, the Permits and the Post-Closure Insurance Policies.

5.6 Bond. The Trustee shall serve without bond.

5.7 Resignation and Succession of Trustee. The IT Env Liquidating Trustee may resign at any time upon sixty (60) days' written notice, filed with the Court and delivered to (i) counsel for the IT Environmental Liquidating Trust, (ii) the United States Trustee, and (iii) the DTSC. Such resignation may become effective prior to the expiration of such sixty (60) day notice period upon Court appointment of a permanent or interim successor to the Trustee. The Trustee may be removed by the Court upon application by DTSC based only upon negligence or fraud shown. In the event the Trustee position becomes vacant, the Trustee vacancy shall be filled by the Court based upon recommendations submitted by the DTSC. Upon appointment, the Successor ~~IT~~ Environmental Liquidating Trustee, without any further act or notice being required, shall become fully vested with all of the rights, powers, duties, and obligations of the former IT Environmental Liquidating Trustee.

ARTICLE VI TERMINATION OF TRUST

6.1 Termination of the IT Environmental Liauidating Trust. The IT Liquidating Trust will terminate on the earliest to occur of (i) the 30-year anniversary of the Effective Date; or (ii) notification of the Court by the Trustee's filing of a statement averring that the IT Environmental Liquidating Trust lacks the necessary assets to continue its existence; provided, however, that, the Trustee shall provide the

DTSC at least six (6) months' notice prior to such termination and provided that on or before the date that is three (3) months prior to such termination, the Court, upon its own motion or motion by the Trustee or the DTSC, may extend the term of the IT Environmental Liquidating Trust so that all closure and post-closure activities will be completed in accordance with the requirements of environmental law, the Consent Decree and the Permits. A motion to extend the term of the IT Environmental Liquidating Trust brought by the Trustee shall be served on the DTSC in accordance with Court rules. Notwithstanding the foregoing, (i) multiple extensions can be obtained provided that Court approval is obtained at least three (3) months prior to the expiration of each extended period (including any bridge extensions pending a hearing on the merits), and (ii) the term of this Agreement shall be extended in the manner provided in this Section and with the approval of the Court if the Environmental Operations have not been completed.

ARTICLE VII AMENDMENT AND WAIVER

7.1 Amendment and Waiver. This Agreement may not be amended, modified, or supplemented, and no provision hereof or rights hereunder may be waived, except in writing and with the written consent of the Trustee and DTSC or upon order of the Court.

ARTICLE VIII MISCELLANEOUS PROVISIONS

8.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without giving effect to rules governing the conflict of laws.

8.2 Retention of Jurisdiction. Notwithstanding the Effective Date, the Bankruptcy Court shall retain jurisdiction over the IT Environmental Liquidating Trust in accordance with the Plan, and consistent with Section 3.4 of this Agreement. Each party to this Agreement hereby irrevocably consents to the jurisdiction of the Bankruptcy Court in any action to enforce, interpret, or construe any provision of this Agreement.

8.3 Severability. In the event any provision of this Agreement or the application thereof to any Person or circumstance shall be determined to be invalid or

unenforceable to any extent, the remainder of this Agreement, or the application of such provision to Persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and such provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

8.4 Third-Party Beneficiaries. Except for the Beneficiaries or as specifically stated herein, nothing in this Agreement is intended to confer upon any Person that is not a party hereto any rights or remedies hereunder.

8.5 Further Assurances. From and after the Effective Date, the parties hereto covenant and agree to execute and deliver all documents and notices and to take all such further actions as may reasonably be required from time to time to carry out the intent and purposes of this Agreement, the Plan and the Confirmation Order, and to consummate the transactions contemplated thereby.

8.6 Integration Clause. This Agreement constitutes the complete agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous negotiations, promises, covenants, agreements, or representations. This Agreement is intended to be, and shall be treated as, an integral part of the Plan.

8.7 Successors. Assigns. etc. The terms of this Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

8.8 Headings The section headings contained in this Agreement are solely for convenience, and shall not affect the meaning or interpretation of this Agreement or of any term or provision hereof.

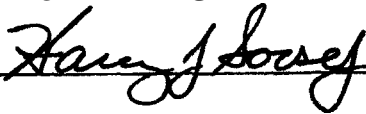
8.9 Counterparts This Agreement may be signed by the parties hereto in counterparts, which, when taken together, shall constitute one and the same document.

IN WITNESS WHEREOF THE parties

hereto have either executed and acknowledged this Agreement, or caused it to be executed and acknowledged on their behalf by their duly authorized officers, all as of the date first above written.

IT Corporation
IT Fake Herman Road LLC
IT Vine Hill L L C

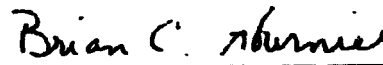
Dated: 4-30-04

By 

Authorized Representative

IT Environmental liquidating Trust

Dated: 4-30-04

By 
Brian Fournier
Trustee